



93RD GENERAL ASSEMBLY
State of Illinois
2003 and 2004
HB4225

Introduced 1/26/2004, by Jerry L. Mitchell

SYNOPSIS AS INTRODUCED:

105 ILCS 5/1D-1
105 ILCS 5/14-7.02b new
105 ILCS 5/14-8.01 from Ch. 122, par. 14-8.01
105 ILCS 5/18-4.3 from Ch. 122, par. 18-4.3
105 ILCS 5/14-7.02a rep.

Amends the School Code. In provisions concerning the educational services block grant for a school district having a population exceeding 500,000 inhabitants, provides that the grant shall include funding for children requiring special education services. Removes the extraordinary component of the Special Education program that the educational services block grant includes. Amends the Children with Disabilities Article of the School Code. Replaces certain provisions concerning State reimbursement to a school district with new provisions governing payments for children requiring special education services. Makes changes concerning room and board funds. Effective immediately.

LRB093 17856 NHT 43538 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The School Code is amended by changing Sections
5 1D-1, 14-8.01, and 18-4.3 and adding Section 14-7.02b as
6 follows:

7 (105 ILCS 5/1D-1)

8 Sec. 1D-1. Block grant funding.

9 (a) For fiscal year 1996 and each fiscal year thereafter,
10 the State Board of Education shall award to a school district
11 having a population exceeding 500,000 inhabitants a general
12 education block grant and an educational services block grant,
13 determined as provided in this Section, in lieu of distributing
14 to the district separate State funding for the programs
15 described in subsections (b) and (c). The provisions of this
16 Section, however, do not apply to any federal funds that the
17 district is entitled to receive. In accordance with Section
18 2-3.32, all block grants are subject to an audit. Therefore,
19 block grant receipts and block grant expenditures shall be
20 recorded to the appropriate fund code for the designated block
21 grant.

22 (b) The general education block grant shall include the
23 following programs: REI Initiative, Summer Bridges, Preschool
24 At Risk, K-6 Comprehensive Arts, School Improvement Support,
25 Urban Education, Scientific Literacy, Substance Abuse
26 Prevention, Second Language Planning, Staff Development,
27 Outcomes and Assessment, K-6 Reading Improvement, 7-12
28 Continued Reading Improvement, Truants' Optional Education,
29 Hispanic Programs, Agriculture Education, Parental Education,
30 Prevention Initiative, Report Cards, and Criminal Background
31 Investigations. Notwithstanding any other provision of law,
32 all amounts paid under the general education block grant from

1 State appropriations to a school district in a city having a
2 population exceeding 500,000 inhabitants shall be appropriated
3 and expended by the board of that district for any of the
4 programs included in the block grant or any of the board's
5 lawful purposes.

6 (c) The educational services block grant shall include the
7 following programs: Bilingual, Regular and Vocational
8 Transportation, State Lunch and Free Breakfast Program,
9 Special Education (Personnel, ~~Extraordinary~~, Transportation,
10 Orphanage, Private Tuition), funding for children requiring
11 special education services, Summer School, Educational Service
12 Centers, and Administrator's Academy. This subsection (c) does
13 not relieve the district of its obligation to provide the
14 services required under a program that is included within the
15 educational services block grant. It is the intention of the
16 General Assembly in enacting the provisions of this subsection
17 (c) to relieve the district of the administrative burdens that
18 impede efficiency and accompany single-program funding. The
19 General Assembly encourages the board to pursue mandate waivers
20 pursuant to Section 2-3.25g.

21 The funding program included in the educational services
22 block grant for funding for children requiring special
23 education services in each fiscal year shall be treated in that
24 fiscal year as a payment to the school district in respect of
25 services provided or costs incurred in the prior fiscal year,
26 calculated in each case as provided in this Section. Nothing in
27 this Section shall change the nature of payments for any
28 program that, apart from this Section, would be or, prior to
29 adoption or amendment of this Section, was on the basis of a
30 payment in a fiscal year in respect of services provided or
31 costs incurred in the prior fiscal year, calculated in each
32 case as provided in this Section.

33 (d) For fiscal year 1996 and each fiscal year thereafter,
34 the amount of the district's block grants shall be determined
35 as follows: (i) with respect to each program that is included
36 within each block grant, the district shall receive an amount

1 equal to the same percentage of the current fiscal year
2 appropriation made for that program as the percentage of the
3 appropriation received by the district from the 1995 fiscal
4 year appropriation made for that program, and (ii) the total
5 amount that is due the district under the block grant shall be
6 the aggregate of the amounts that the district is entitled to
7 receive for the fiscal year with respect to each program that
8 is included within the block grant that the State Board of
9 Education shall award the district under this Section for that
10 fiscal year. In the case of the Summer Bridges program, the
11 amount of the district's block grant shall be equal to 44% of
12 the amount of the current fiscal year appropriation made for
13 that program.

14 (e) The district is not required to file any application or
15 other claim in order to receive the block grants to which it is
16 entitled under this Section. The State Board of Education shall
17 make payments to the district of amounts due under the
18 district's block grants on a schedule determined by the State
19 Board of Education.

20 (f) A school district to which this Section applies shall
21 report to the State Board of Education on its use of the block
22 grants in such form and detail as the State Board of Education
23 may specify.

24 (g) This paragraph provides for the treatment of block
25 grants under Article 1C for purposes of calculating the amount
26 of block grants for a district under this Section. Those block
27 grants under Article 1C are, for this purpose, treated as
28 included in the amount of appropriation for the various
29 programs set forth in paragraph (b) above. The appropriation in
30 each current fiscal year for each block grant under Article 1C
31 shall be treated for these purposes as appropriations for the
32 individual program included in that block grant. The proportion
33 of each block grant so allocated to each such program included
34 in it shall be the proportion which the appropriation for that
35 program was of all appropriations for such purposes now in that
36 block grant, in fiscal 1995.

1 Payments to the school district under this Section with
2 respect to each program for which payments to school districts
3 generally, as of the date of this amendatory Act of the 92nd
4 General Assembly, are on a reimbursement basis shall continue
5 to be made to the district on a reimbursement basis, pursuant
6 to the provisions of this Code governing those programs.

7 (h) Notwithstanding any other provision of law, any school
8 district receiving a block grant under this Section may
9 classify all or a portion of the funds that it receives in a
10 particular fiscal year from any block grant authorized under
11 this Code or from general State aid pursuant to Section 18-8.05
12 of this Code (other than supplemental general State aid) as
13 funds received in connection with any funding program for which
14 it is entitled to receive funds from the State in that fiscal
15 year (including, without limitation, any funding program
16 referred to in subsection (c) of this Section), regardless of
17 the source or timing of the receipt. The district may not
18 classify more funds as funds received in connection with the
19 funding program than the district is entitled to receive in
20 that fiscal year for that program. Any classification by a
21 district must be made by a resolution of its board of
22 education. The resolution must identify the amount of any block
23 grant or general State aid to be classified under this
24 subsection (h) and must specify the funding program to which
25 the funds are to be treated as received in connection
26 therewith. This resolution is controlling as to the
27 classification of funds referenced therein. A certified copy of
28 the resolution must be sent to the State Superintendent of
29 Education. The resolution shall still take effect even though a
30 copy of the resolution has not been sent to the State
31 Superintendent of Education in a timely manner. No
32 classification under this subsection (h) by a district shall
33 affect the total amount or timing of money the district is
34 entitled to receive under this Code. No classification under
35 this subsection (h) by a district shall in any way relieve the
36 district from or affect any requirements that otherwise would

1 apply with respect to the block grant as provided in this
2 Section, including any accounting of funds by source, reporting
3 expenditures by original source and purpose, reporting
4 requirements, or requirements of provision of services.

5 (Source: P.A. 92-568, eff. 6-26-02; 92-651, eff. 7-11-02;
6 93-21, eff. 7-1-03; 93-53, eff. 7-1-03; revised 9-11-03.)

7 (105 ILCS 5/14-7.02b new)

8 Sec. 14-7.02b. Funding for children requiring special
9 education services. Payments to school districts and joint
10 agreements for children requiring special education services
11 documented in their individualized education program
12 regardless of the program from which these services are
13 received, excluding children claimed under Sections 14-7.02
14 and 14-7.03 of this Code, shall be made in accordance with this
15 Section. Funds received under this Section may be used only for
16 the provision of special educational facilities and services as
17 defined in Section 14-1.08 of this Code.

18 The appropriation for fiscal year 2005 and thereafter shall
19 be based upon the IDEA child count of all students in the
20 State, excluding students claimed under Sections 14-7.02 and
21 14-7.03 of this Code, on December 1 of the fiscal year 2 years
22 preceding, multiplied by 17.5% of the general State aid
23 foundation level of support established for that fiscal year
24 under Section 18-8.05 of this Code.

25 Beginning with fiscal year 2005 and thereafter, individual
26 school districts shall not receive payments under this Section
27 totaling less than they received under the funding authorized
28 under Section 14-7.02a of this Code during fiscal year 2004,
29 pursuant to the provisions of Section 14-7.02a as they were in
30 effect before the effective date of this amendatory Act of the
31 93rd General Assembly. This base level funding shall be
32 computed first.

33 An amount equal to 85% of the funds remaining in the
34 appropriation after subtracting the base level funding shall be
35 allocated to school districts based upon the district's average

1 daily attendance reported for purposes of Section 18-8.05 of
2 this Code for the preceding school year. Fifteen percent of the
3 funds remaining in the appropriation after subtracting the base
4 level funding shall be allocated to school districts based upon
5 the district's low income eligible pupil count used in the
6 calculation of general State aid under Section 18-8.05 of this
7 Code for the same fiscal year. One hundred percent of the funds
8 computed and allocated to districts under this Section shall be
9 distributed and paid to school districts.

10 For individual students with disabilities whose program
11 costs exceed 4 times the district's per capita tuition rate as
12 calculated under Section 10-20.12a of this Code, the costs in
13 excess of 4 times the district's per capita tuition rate shall
14 be paid by the State Board of Education from unexpended IDEA
15 discretionary funds originally designated for room and board
16 reimbursement pursuant to Section 14-8.01 of this Code. The
17 amount of tuition for these children shall be determined by the
18 actual cost of maintaining classes for these children, using
19 the per capita cost formula set forth in Section 14-7.01 of
20 this Code, with the program and cost being pre-approved by the
21 State Superintendent of Education.

22 The State Board of Education shall prepare vouchers equal
23 to one-fourth the amount allocated to districts and their joint
24 agreements, for transmittal to the State Comptroller on the
25 30th day of September, December, and March, respectively, and
26 the final voucher, no later than June 20. The Comptroller shall
27 make payments pursuant to this Section to school districts and
28 their joint agreements as soon as possible after receipt of
29 vouchers. If the money appropriated from the General Assembly
30 for such purposes for any year is insufficient, it shall be
31 apportioned on the basis of the payments due to school
32 districts.

33 Nothing in this Section shall be construed to decrease or
34 increase the percentage of all special education funds that are
35 allocated annually under Article 1D of this Code or to alter
36 the requirement that a school district provide special

1 education services.

2 Nothing in this amendatory Act of the 93rd General Assembly
3 shall eliminate any reimbursement obligation owed as of the
4 effective date of this amendatory Act of the 93rd General
5 Assembly to a school district with in excess of 500,000
6 inhabitants.

7 (105 ILCS 5/14-8.01) (from Ch. 122, par. 14-8.01)

8 Sec. 14-8.01. Supervision of special education buildings
9 and facilities. All special educational facilities, building
10 programs, housing, and all educational programs for the types
11 of disabled children defined in Section 14-1.02 shall be under
12 the supervision of and subject to the approval of the State
13 Board of Education.

14 All special education facilities, building programs, and
15 housing shall comply with the building code authorized by
16 Section 2-3.12.

17 All educational programs for children with disabilities as
18 defined in Section 14-1.02 administered by any State agency
19 shall be under the general supervision of the State Board of
20 Education. Such supervision shall be limited to insuring that
21 such educational programs meet standards jointly developed and
22 agreed to by both the State Board of Education and the
23 operating State agency, including standards for educational
24 personnel.

25 Any State agency providing special educational programs
26 for children with disabilities as defined in Section 14-1.02
27 shall promulgate rules and regulations, in consultation with
28 the State Board of Education and pursuant to the Illinois
29 Administrative Procedure Act as now or hereafter amended, to
30 insure that all such programs comply with this Section and
31 Section 14-8.02.

32 No otherwise qualified disabled child receiving special
33 education and related services under Article 14 shall solely by
34 reason of his or her disability be excluded from the
35 participation in or be denied the benefits of or be subjected

1 to discrimination under any program or activity provided by a
2 State agency.

3 State agencies providing special education and related
4 services, including room and board, either directly or through
5 grants or purchases of services shall continue to provide these
6 services according to current law and practice. Room and board
7 costs not provided by a State agency other than the State Board
8 of Education shall be provided by the State Board of Education
9 to the extent of available funds. An amount equal to one-half
10 of the State education agency's share of IDEA PART B federal
11 monies, or so much thereof as may actually be needed, shall
12 annually be appropriated to pay for the additional costs of
13 providing for room and board for those children placed pursuant
14 to Section 14-7.02 of this Code Act and, after all such room
15 and board costs are paid, for similar expenditures for children
16 served pursuant to Section 14-7.02 or 14-7.02b ~~14-7.02a~~ of this
17 Code. Any such excess room and board funds must first be
18 directed to those school districts with students costing in
19 excess of 4 times the district's per capita tuition charge and
20 then to Act, based in community based programs that serve as
21 alternatives to residential placements.

22 Beginning with Fiscal Year 1997 and continuing through
23 Fiscal Year 2000, 100% of the former Chapter I, Section 89-313
24 federal funds shall be allocated by the State Board of
25 Education in the same manner as IDEA, PART B "flow through"
26 funding to local school districts, joint agreements, and
27 special education cooperatives for the maintenance of
28 instructional and related support services to students with
29 disabilities. However, beginning with Fiscal Year 1998, the
30 total IDEA Part B discretionary funds available to the State
31 Board of Education shall not exceed the maximum permissible
32 under federal law or 20% of the total federal funds available
33 to the State, whichever is less. In no case shall the aggregate
34 IDEA Part B discretionary funds received by the State Board of
35 Education exceed the amount of IDEA Part B discretionary funds
36 available to the State Board of Education for Fiscal Year 1997,

1 excluding any carryover funds from prior fiscal years,
2 increased by 3% for Fiscal Year 1998 and increased by an
3 additional 3% for each fiscal year thereafter. After all room
4 and board payments and similar expenditures are made by the
5 State Board of Education as required by this Section, the State
6 Board of Education may use the remaining funds for
7 administration and for providing discretionary activities.
8 However, the State Board of Education may use no more than 25%
9 of its available IDEA Part B discretionary funds for
10 administrative services.

11 Special education and related services included in the
12 child's individualized educational program which are not
13 provided by another State agency shall be included in the
14 special education and related services provided by the State
15 Board of Education and the local school district.

16 The State Board of Education with the advice of the
17 Advisory Council shall prescribe the standards and make the
18 necessary rules and regulations for special education programs
19 administered by local school boards, including but not limited
20 to establishment of classes, training requirements of teachers
21 and other professional personnel, eligibility and admission of
22 pupils, the curriculum, class size limitation, building
23 programs, housing, transportation, special equipment and
24 instructional supplies, and the applications for claims for
25 reimbursement. The State Board of Education shall promulgate
26 rules and regulations for annual evaluations of the
27 effectiveness of all special education programs and annual
28 evaluation by the local school district of the individualized
29 educational program for each child for whom it provides special
30 education services.

31 A school district is responsible for the provision of
32 educational services for all school age children residing
33 within its boundaries excluding any student placed under the
34 provisions of Section 14-7.02 or any disabled student whose
35 parent or guardian lives outside of the State of Illinois as
36 described in Section 14-1.11.

1 (Source: P.A. 89-397, eff. 8-20-95; 89-622, eff. 8-9-96;
2 90-547, eff. 12-1-97.)

3 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

4 Sec. 18-4.3. Summer school grants. Grants shall be
5 determined for pupil attendance in summer schools conducted
6 under Sections 10-22.33A and 34-18 and approved under Section
7 2-3.25 in the following manner.

8 The amount of grant for each accredited summer school
9 attendance pupil shall be obtained by dividing the total amount
10 of apportionments determined under Section 18-8.05 by the
11 actual number of pupils in average daily attendance used for
12 such apportionments. The number of credited summer school
13 attendance pupils shall be determined (a) by counting clock
14 hours of class instruction by pupils enrolled in grades 1
15 through 12 in approved courses conducted at least 60 clock
16 hours in summer sessions; (b) by dividing such total of clock
17 hours of class instruction by 4 to produce days of credited
18 pupil attendance; (c) by dividing such days of credited pupil
19 attendance by the actual number of days in the regular term as
20 used in computation in the general apportionment in Section
21 18-8.05; and (d) by multiplying by 1.25.

22 The amount of the grant for a summer school program
23 approved by the State Superintendent of Education for children
24 with disabilities, as defined in Sections 14-1.02 through
25 14-1.07, shall be determined in the manner contained above
26 except that average daily membership shall be utilized in lieu
27 of average daily attendance.

28 In the case of an apportionment based on summer school
29 attendance or membership pupils, the claim therefor shall be
30 presented as a separate claim for the particular school year in
31 which such summer school session ends. On or before November 1
32 of each year the superintendent of each eligible school
33 district shall certify to the State Superintendent of Education
34 the claim of the district for the summer session just ended.
35 Failure on the part of the school board to so certify shall

1 constitute a forfeiture of its right to such payment. The State
2 Superintendent of Education shall transmit to the Comptroller
3 no later than December 15th of each year vouchers for payment
4 of amounts due school districts for summer school. The State
5 Superintendent of Education shall direct the Comptroller to
6 draw his warrants for payments thereof by the 30th day of
7 December. If the money appropriated by the General Assembly for
8 such purpose for any year is insufficient, it shall be
9 apportioned on the basis of claims approved.

10 However, notwithstanding the foregoing provisions, for
11 each fiscal year the money appropriated by the General Assembly
12 for the purposes of this Section shall only be used for grants
13 for approved summer school programs for those children with
14 disabilities served pursuant to Sections 14-7.02 and 14-7.02b
15 of this ~~the School~~ Code.

16 (Source: P.A. 90-548, eff. 1-1-98; 91-764, eff. 6-9-00.)

17 (105 ILCS 5/14-7.02a rep.)

18 Section 10. The School Code is amended by repealing Section
19 14-7.02a.

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.